



# DEBT RECOVERY

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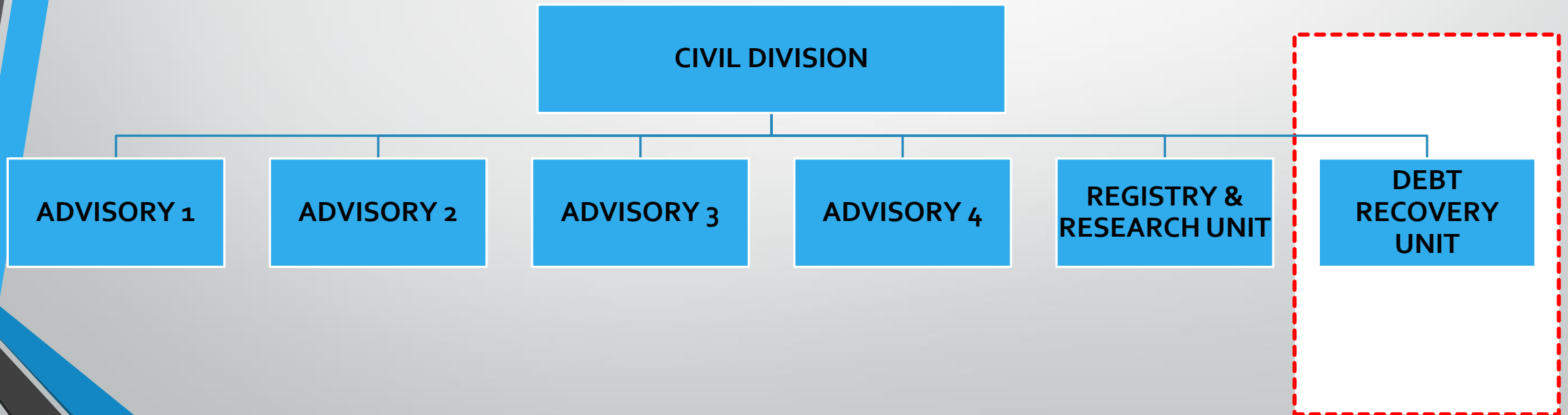
**ATTORNEY GENERAL'S CHAMBERS**

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# AGENDA

- Debt Recovery Unit Introduction
- Government Debt-Collection & the Process
- Process Flow for Magistrate Court, Intermediate Court & High Court
- Bankruptcy / winding up

# DEBT RECOVERY UNIT



- DRU is one of the units under Civil Division
- DRU has: 6 officers including Head of Unit
  - 1 Legal Assistant; and
  - 4 staffs
  - \*\*\*12 officers from Advisory Unit
- Total number of files: 5,406 files (as of 23 July 2020)

# F U N C T I O N S

- Debt recovery;
- Representing the Government in making civil claims;
- Representing the Government in bankruptcy matters;
- Representing the Attorney General in matters and proceedings under the Legal Profession Act (Cap 132);
- Registry: Power of Attorney, Revocation on Power of Attorney and Marriages.

# **DRU'S LIST OF CLIENTS**

- **Municipal Boards:**

Municipal rates, buildings/stall rents

- **Ministry of Finance & Economy:**

Recovery matters, car/house loan/overpaid salary & allowances, accident with Government vehicles, telecom bills

- **Public Works Department:**

Damaged against Government properties

- **Ministry of Health:**  
Ward bills
- **Radio Television Brunei:**  
Advertisement/rental of building
- **Ministry of Education:**  
Scholarship claims
- **Department of Electrical Services:**  
Electricity bills



- **Ministry of Culture, Youth & Sports:**  
Rental of building
- **Ministry of Primary Resources & Tourism:**  
Rental of building, loan schemes
- **Economic & Planning Development:**  
Finance scheme
- **Others:**  
Recovery of balance of advances

*"Going to court should be a last resort..."*

Justice Minister Lord Faulk

# CHECK LIST: DEBT RECOVERY

- **Details of the Debtor (copies of relevant documents to be provided):**
  - ✓ Debtors includes the natural person, companies, enterprises, societies, co-operation etc.
  - ✓ For a natural person UP-TO-DATE details as follows:
    - NRIC No.,
    - Latest address which can be obtained from driver's licence or BruHIMS details (relevant departments to be contacted to obtain required information).
  - ✓ If the debtor is an enterprise or sole proprietor, e.g. ABC Enterprise or ABC & Anak-Anak, to include details of their registration under Business Names Act (Cap 92)
  - ✓ If the debtor is a company such as ABC Sdn Bhd or ABC Bhd please provide details of registration under the Companies Act (Cap 39)

- **If the Debtor has passed away:**

Relevant information on Letters of Administration from the Probate Office Supreme Court Brunei.

- **If the enterprise; sole proprietorship; or company, is no longer doing business or no longer in operation:**

Relevant information from Registry of Companies and Business Names.

- **Details of debt:**

- To provide latest information on the debt, basis and breakdown of the debt e.g. agreement or contract or outstanding utilities charges, rental, Municipal Board taxes, or fees for Government services, etc.
- Provide the date when the debt incurred or date of the last payment by the debtor.

- **Other documents:**

The documents should include:

- any agreement or contract that is related to the debt;
- details of the instructing Departments' initiatives to recover from the Debtor such as copies of reminder letters or letter of demand and confirmation that the Departments' representatives have also made attempts to meet with the debtor or visit the debtor at the last known address;
- details of last payment;
- any agreement to settle payment or to pay by installments.

## INSTRUCTING DEPARTMENT

- Issue Letters of Demand
- Non-payment – refer to AGC with supporting documents



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graph TD; A[INSTRUCTING DEPARTMENT] --> B[DRU]; B --> C[COURT PROCEEDINGS];
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## DRU

- 1<sup>st</sup> LOD: 30 days
- Final LOD: 14 days
- Note: ID to inform if payment had been made; to update on the status of Parties/Debtor

## COURT PROCEEDINGS

# INSTRUCTING DEPARTMENT

- **Letter of Demand:**

- “Dukacita dimaklumkan bahawa jika Awang/Dayang tidak membuat pembayaran bagi tuntutan ini di dalam tempoh 14 hari dari tarikh surat ini, Jabatan ini tidak mempunyai pilihan melainkan menghadapkan tuntutan ini kepada Pejabat Peguam Negara bagi tujuan tindakan undang-undang di mahkamah dikenakan ke atas Awang/Dayang”.
- LOD – payment – please sign an agreement;
- Agreement – failed to make payment – proceed to AGC

# COURTS

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graph LR; A[COURTS] --- B[High Court  
- Unlimited jurisdiction]; A --- C[Intermediate Court  
- Claim that does not exceed BND$300,000]; A --- D[Magistrate Court  
- Claim up to BND $50,000]
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## High Court

- Unlimited jurisdiction

## Intermediate Court

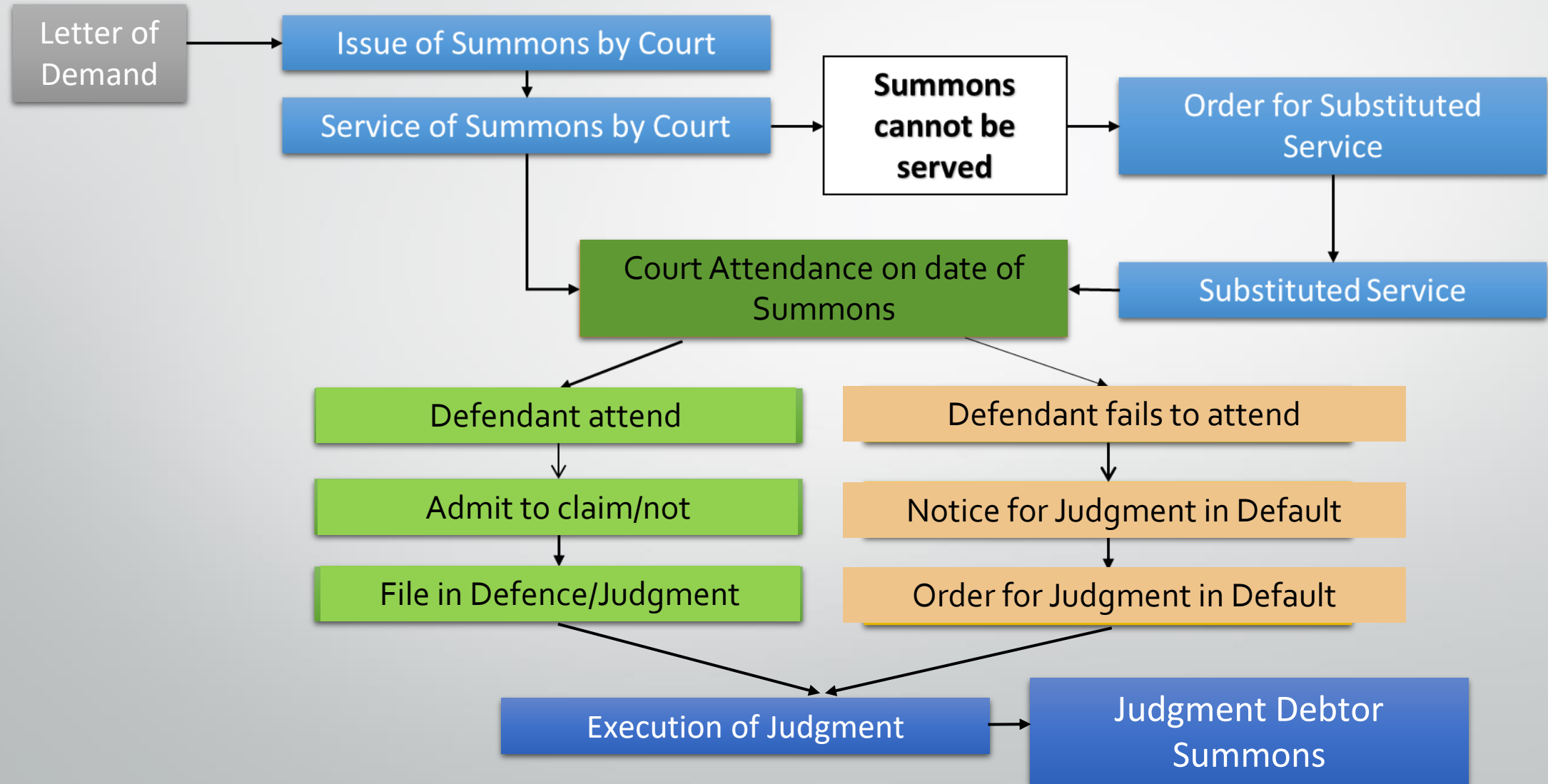
- Claim that does not exceed BND\$300,000

## Magistrate Court

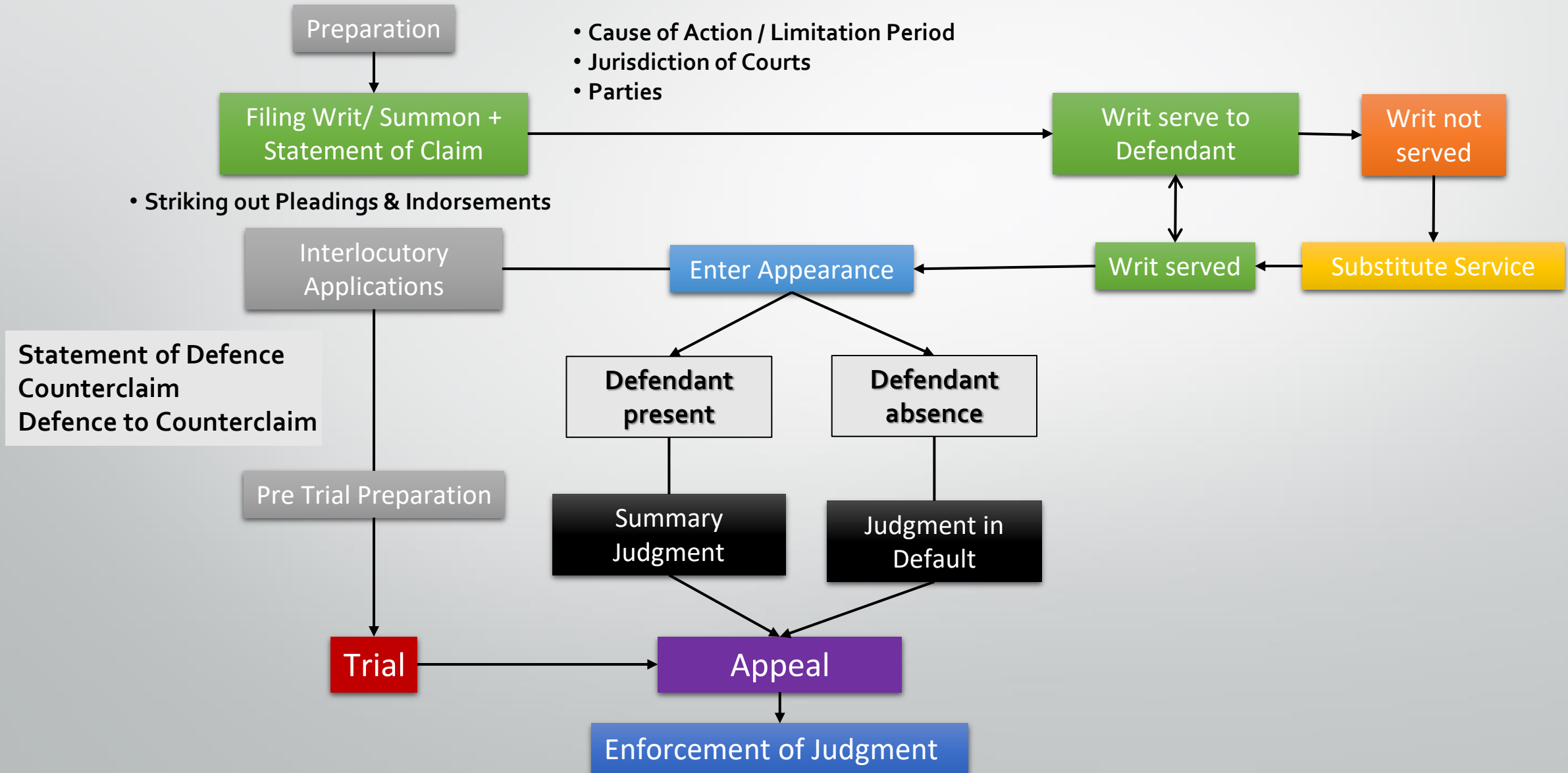
- Claim up to BND \$50,000



# PROCESS FLOW FOR MAGISTRATE COURT



# PROCESS FLOW FOR HIGH COURT & INTERMEDIATE COURT



# BANKRUPTCY / WINDING UP

- The case will be *adjourned sine die* and to continue the matter at the Bankruptcy Office – Proof of Debt has to be filed – Creditor's Meeting.



**THANK YOU**